

EXECUTIVE SUMMARY OF RESTRUCTURED RELATIONSHIP PRE-CLOSING AGREEMENT

The Restructured Relationship Pre-Closing Agreement (the “Pre-Closing Agreement”) governs the relationship between the District and MPHS between the time the parties execute all of the Definitive Agreements and the date of the “Closing” – the date that most of the other Definitive Agreements (the Master Agreement, the Construction Agreement, the Construction Ground Lease) become effective. The Pre-Closing Agreement generally provides for or governs the following issues/areas:

1. Conditions and procedures for execution of the other Definitive Agreements (Article I);
2. The Election to seek Voter Approval of the Restructured Relationship and the Definitive Agreements (Section 2.01);
3. The Validation Action – a court case that will be filed to validate the Definitive Agreements (Section 2.02);
4. The conditions and procedures for the transfer of certain properties between the parties as of the Closing (Sections 2.03 and 2.04);
5. The obligations and rights of the parties before the Closing with respect to Regulatory Approvals for the New Facility and MPHS’ pre-Closing development and construction activities (Sections 3.01 through 3.04);
6. The coordination of the Pre-Closing Agreement with the Existing Lease between the parties for the Existing Hospital (Section 3.05);
7. The conditions and procedures for the Closing, which is the event that triggers the effectiveness of the other Definitive Agreements (Article IV);
8. Provisions that govern the parties’ respective rights and obligations in the event that the Restructured Relationship is terminated before the Closing (Article V); and
9. Provisions that define what constitutes a default by either party and that establish remedies for such defaults (Article VI).